

In this case a receiver whose feelings appeared to have been too much enlisted to permit him to be impartial was removed, and another person appointed in his stead.

bill charging that the trustee under an assignment for the benefit of creditors had placed the property under the care of a person of notoriously bad character, and that by his and the grantor's refusing to allow an inventory of the property to be made, the creditors would be deprived of the necessary proof to show the extent of a loss, if any should occur, makes a case of imminent danger, justifying the granting of an injunction and the appointment of a receiver, without notice to the defendants. *Rosenberg v. Moore*, 11 Md. 376.

2. *Powers, duties and liabilities of receivers.* The mere appointment of receivers does not place the property *in custodia legis*, as against a stranger to the proceedings, in possession and claiming the right to retain it. *Everett v. Neff*, 28 Md. 187. Actual possession by the receiver is necessary to place the property in the custody of the Court. After a receiver has been appointed and has taken the rightful possession of the property, it is a contempt of Court for a third person to attempt to deprive him of that possession by force, or even by a suit without the permission of the Court making the appointment. *Ibid.* If at the time of the appointment the property is in possession of a third person who claims the right to retain it, the receiver must either proceed by suit in the ordinary way to try his right, or the complainant should make such third person a party to the suit, and apply to have the receivership extended to the property in his hands, so that an order for the delivery of the property may be made, which will be binding upon him, and which may be enforced by contempt if it is not obeyed. *Ibid.*

While as a general rule a receiver will not be permitted to lay out more than a small sum at his own discretion, in the preservation or improvement of the property under his charge, but should in all cases when it is practicable, apply to the Court for authority, before involving the estate in expense, yet this general rule should not be so rigidly enforced as to work wrong and injustice, when the receiver has acted in good faith, and under such circumstances as will enable the Court to see that if previous authority had been applied for it would have been granted. *Brown v. Hazlehurst*, 54 Md. 26. Cf. *Cowdrey v. R. R.* 93 U. S. 352.

Receivers are not liable for a claim not filed till after they had distributed the funds in their hands, nor for the neglect of a co-receiver to file such claim after it had been left with him for that purpose. And the receiver guilty of such neglect is not liable as receiver, but individually. *Keene v. Gaehle*, 56 Md. 343. As to the authority of receivers to employ clerks, &c. see *Holloway v. Turner*, 61 Md. 217. As to sale by receiver of debts due to a firm, see *Loney v. Penniman*, 43 Md. 130. As to rights of a purchaser from a receiver, see *Koontz v. Bank*, 16 Wallace, 196.

Where a receiver, acting under an order of the Court, sold property of the defendant, and while the proceeds of sale were in his hands, the defendant obtained the benefit of the insolvent laws, and the receiver was appointed his trustee in insolvency, it was held on an appeal by the receiver and the defendant from an order of the Chancery Court requiring him to bring the fund into Court, 1. That the policy of the insolvent laws does not debar the Court in which the fund is found at the moment of insolvency, from taking all steps necessary for its preservation. 2. That the above order does not conflict with the power of the insolvent Court, but is ancillary to it; and the money being brought in and the amount ascertained,